

Department of Labor

Analyst: Milstead

Historical Summary

OPERATING BUDGET	FY 2003 Total App	FY 2003 Actual	FY 2004 Approp	FY 2005 Request	FY 2005 Gov Rec
BY FUND CATEGORY					
General	527,100	527,100	435,800	548,200	492,000
Dedicated	10,400	16,400	10,400	10,400	10,400
Total:	537,500	543,500	446,200	558,600	502,400
Percent Change:		1.1%	(17.9%)	25.2%	12.6%
BY OBJECT OF EXPENDITURE					
Personnel Costs	369,400	369,400	375,500	400,800	415,300
Operating Expenditures	168,100	174,100	70,700	157,800	87,100
Total:	537,500	543,500	446,200	558,600	502,400
Full-Time Positions (FTP)	8.00	8.00	8.00	7.00	7.00

Department Description

The WAGE AND HOUR SECTION administers Idaho laws regarding the payment of minimum wage and claims for unpaid wages. This program provides redress to citizens for Wage and Hour law violations, and dispenses information and assistance to employers on Wage and Hour law provisions.

THIS IS THE ONLY APPROPRIATED PROGRAM IN THE DEPARTMENT OF LABOR. All other department programs operate on a continuous appropriation of federal funds and funds generated by administration of the employment security law and unemployment insurance taxes.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2004 Original Appropriation	8.00	435,800	446,200	8.00	435,800	446,200
Base Adjustments	(1.00)	100,000	100,000	(1.00)	50,000	50,000
FY 2005 Base	7.00	535,800	546,200	7.00	485,800	496,200
Personnel Cost Rollups	0.00	7,600	7,600	0.00	7,600	7,600
Inflationary Adjustments	0.00	900	900	0.00	0	0
Nonstandard Adjustments	0.00	500	500	0.00	(8,300)	(8,300)
Change in Employee Compensation	0.00	3,400	3,400	0.00	6,900	6,900
FY 2005 Total	7.00	548,200	558,600	7.00	492,000	502,400
Change from Original Appropriation	(1.00)	112,400	112,400	(1.00)	56,200	56,200
% Change from Original Appropriation		25.8%	25.2%		12.9%	12.6%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2004 Original Appropriation	8.00	435,800	10,400	0	446,200

Base Adjustments

Reflects the restoration of \$100,000 in General Funds for FY 2005. In FY 2004, the Department shifted these expenditures from the General Fund to the Employment Services Penalty and Interest Fund as a way to help with the state's General Fund budget situation. This FY 2005 adjustment restores the traditional funding source for the Wage and Hour Program. Also, the reduction of 1.0 FTP reflects the elimination of a permanent position that has not been filled.

Agency Request	(1.00)	100,000	0	0	100,000
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The Employment Services Penalty and Interest fund has been subsidizing the General Fund during FY 2004. This recommendation replaces a portion (50%) of the funding with General Fund.

Governor's Recommendation	(1.00)	50,000	0	0	50,000
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FY 2005 Base					
Agency Request	7.00	535,800	10,400	0	546,200
Governor's Recommendation	7.00	485,800	10,400	0	496,200

Personnel Cost Rollups

Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are: health insurance rates which are projected to increase by 17 percent, from \$5,548 to \$6,493 per employee; and retirement system (PERSI) rates that will increase by over 6% to 10.39 percent of salary.

Agency Request	0.00	7,600	0	0	7,600
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Governor's Recommendation	0.00	7,600	0	0	7,600
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Inflationary Adjustments

Includes a general inflationary increase of 1.9% in operating expenditures.

Agency Request	0.00	900	0	0	900
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The Governor recommends no increase for general inflation.

Governor's Recommendation	0.00	0	0	0	0
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Nonstandard Adjustments

Reflects increases in IT maintenance and increased communication costs of \$8,800. Also reflects adjustments in State Controller fees (reduction of \$500) and Attorney General fees (reduction of \$7,700) pursuant to the Statewide Cost Allocation Plan and an adjustment made for Risk Management property/casualty rates (reduction of \$100).

Agency Request	0.00	500	0	0	500
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The Governor does not recommend requested increases in IT maintenance and communication costs.

Governor's Recommendation	0.00	(8,300)	0	0	(8,300)
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Change in Employee Compensation

Reflects the cost of a 1% salary increase.

Agency Request	0.00	3,400	0	0	3,400
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The Governor recommends a compensation increase of 2% to be distributed based on merit. No adjustment to the pay line is recommended.

Governor's Recommendation	0.00	6,900	0	0	6,900
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FY 2005 Total					
Agency Request	7.00	548,200	10,400	0	558,600
Governor's Recommendation	7.00	492,000	10,400	0	502,400

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<i>Agency Request</i>					
Change from Original App	(1.00)	112,400	0	0	112,400
% Change from Original App	(12.5%)	25.8%	0.0%		25.2%
<i>Governor's Recommendation</i>					
Change from Original App	(1.00)	56,200	0	0	56,200
% Change from Original App	(12.5%)	12.9%	0.0%		12.6%

Department of Labor Issues & Information

Analyst: Milstead

Most of the Department of Labor operates under a continuous appropriation. Funded with unemployment insurance taxes, federal grants, monies generated by administration of the employment security law, and some miscellaneous revenue, the Department administers unemployment benefits, provides job training and referrals, and monitors the state labor economy.

The lower right-hand box in the organization chart below (Wage and Hour) represents the only appropriated program in the Department of Labor consisting of a total of \$446,200 and 8 FTP for FY 2004. The Employment Services Division, which operates on a continuous appropriation, has estimated that FY 2004 expenditures will be \$246,200,400 with 604 FTP.

